

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION

In re:	)	Chapter 11
	)	
THE KRYSTAL COMPANY, <i>et al.</i> , <sup>1</sup>	)	Cases No. 20-61065
	)	
	)	
Debtors.	)	(Joint Administration Requested)
_____	)	

**DEBTORS' FIRST OMNIBUS MOTION FOR ENTRY OF AN ORDER (I)  
AUTHORIZING AND APPROVING THE REJECTION OF CERTAIN UNEXPIRED  
LEASES AS OF THE PETITION DATE AND (II) GRANTING RELATED RELIEF**

<b>LANDLORDS AND TENANTS RECEIVING THIS MOTION SHOULD LOCATE THEIR RESPECTIVE NAMES AND LEASES IN SCHEDULES 1, 2, AND 3 ATTACHED</b>
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The above-captioned debtors and debtors in possession (collectively, the “Debtors”) file this *First Omnibus Motion for Entry of an Order (I) Authorizing and Approving the Rejection of Certain Unexpired Leases as of the Petition Date and (II) Granting Related Relief* (the “Motion”). In support of this Motion, the Debtors respectfully represent as follows:

**JURISDICTION AND VENUE**

1. This Court has jurisdiction over these cases and this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2)(A). Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409(a).

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: The Krystal Company (4140); Krystal Holdings, Inc. (5381); and K-Square Acquisition Co., LLC (8916). The location of the Debtors’ corporate headquarters and service address is: 1455 Lincoln Parkway, Suite 600, Dunwoody, Georgia 30346.

2. The predicates for the relief requested herein are sections 105, 365, 1107, and 1108 of chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) and Rules 6004, 6006 and 9013 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

### **BACKGROUND**

3. On the date hereof (the “Petition Date”), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Georgia, Atlanta Division (the “Court”). The Debtors have continued in possession of their properties and have continued to operate and manage their business as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request has been made for the appointment of a trustee or examiner, and no official committee has yet been established in these cases.

4. The factual background relating to the Debtors’ commencement of these cases is set forth in detail in the *Declaration of Jonathan M. Tibus in Support of Chapter 11 Petitions and First Day Pleadings* (the “First Day Declaration”) filed on the Petition Date and incorporated herein by reference. Additional facts specific to this Motion are set forth below.

### **The Rejected Leases**

5. The Debtors operate approximately 182 restaurant locations. As described in the First Day Declaration, the Debtors have historically reviewed their store footprint on an ongoing basis in order to assess the viability of its store locations, and to determine whether it was in the best interests of the Debtors’ enterprise to continue to operate the store. In connection with such reviews, if the Debtors determined that a store was no longer profitable to operate, and the Debtors were unable to sell, convert, or sublease the store, the Debtors would in such instances

turn the store “dark” by entirely ceasing business at the location (each such restaurant, a “Dark Store,” as set forth on Schedule 1 to Exhibit A hereto). Consequently, the Debtors seek to reject the Dark Store leases.

6. The Debtors have also identified certain store locations that franchisees operate under subleases that are not profitable to the Debtors and certain other premises that the Debtors sublease to third parties that are also not profitable to the Debtors. Accordingly, the Debtors also seek to reject the unexpired subleases and related master leases (the “Subleases” and “Master Leases,” respectively, together with the Dark Store leases, the “Rejected Leases”). The Master Leases are set forth on Schedule 2 to Exhibit A hereto. The Subleases are set forth on Schedule 3 to Exhibit A hereto.

7. On average, the occupancy costs under the Rejected Leases, including rent and other obligations, are an unnecessary expense to the Debtors’ estates totaling approximately \$482,000 per month.

### **RELIEF REQUESTED**

8. By this Motion, the Debtors request entry of an order substantially in the form of the proposed order attached hereto as Exhibit A authorizing and approving the Debtors’ rejection of the Rejected Leases effective as of the Petition Date.

### **BASIS FOR RELIEF REQUESTED**

#### **A. Legal Standard**

9. Section 365(a) of the Bankruptcy Code of the authorizes a debtor to reject its executory contracts and unexpired leases subject to the approval of the bankruptcy court:

(a) Except as provided in . . . subsections (b), (c) and (d) of this section, the trustee, subject to the court’s approval, may assume or

reject any executory contract or unexpired lease of the debtor .

10. Rejection of an executory contract or lease is appropriate where, in the exercise of the debtor's sound business judgment, the debtor determines that rejection of the contract or lease would benefit the estates. *Byrd v. Gardinier, Inc. (In re Gardinier, Inc.)*, 831 F.2d 974, 976 n.2 (11th Cir. 1987); *see also NLRB v. Bildisco & Bildisco*, 465 U.S. 513, 523 (1984); *Richmond Leasing Co. v. Capital Bank, N.A.*, 762 F.2d 1303, 1309 (5th Cir. 1985) ("it is well established that 'the question whether a lease should be rejected ... is one of business judgment'"); *In re Armstrong World Indus., Inc.*, 348 B.R. 136, 162 (Bankr. D. Del. 2006) ("Courts have uniformly deferred to the business judgment of the debtor to determine whether the rejection of an executory contract or unexpired lease by the debtor is appropriate under section 365(a) of the Bankruptcy Code").

11. The business judgment standard mandates that a court approve a debtor's business decision unless the decision is the product of bad faith, whim, or caprice. *In re Surfside Resort & Suites, Inc.*, 325 B.R. 465, 469 (Bankr. M.D. Fla. 2005) ("A court may not substitute its judgment for that of a debtor's unless the debtor's decision that 'rejection will be advantageous is so manifestly unreasonable that it could not be based on sound business judgment, but only on bad faith, whim, or caprice.'") (quoting *Lubrizol Enterprises, Inc. v. Richmond Metal Finishers, Inc. (In re Richmond Metal Finishers, Inc.)*, 756 F.2d 1043, 1047 (4th Cir. 1985)); *Summit Land Co. v. Allen (In re Summit Land Co.)*, 13 B.R. 310, 315 (Bankr. D. Utah 1981) (absent extraordinary circumstances, court approval of a debtor's decision to assume or reject an executory contract "should be granted as a matter of course").

12. Courts in this District have authorized similar relief to the relief requested herein. *In re Manis Lumber Co.*, 430 B.R. 269, 271 (Bankr. N.D. Ga. 2009) (Bonapfel, J.); *In re Capital Restaurant Group, LLC*, No. 19-65910-WLH (Bankr. N.D. Ga. Oct. 8, 2019); *In re Jack Cooper Ventures, Inc.*, No. 19-62393-PWB (Bankr. N.D. Ga. Sept. 13, 2019).

13. The Debtors further request that, consistent with the limitations imposed by section 362 of the Bankruptcy Code and any other applicable law, if any of the Debtors have deposited amounts with any of the landlords as a security deposit or pursuant to another similar arrangement, or if any of the landlords owe any of the Debtors any amount pursuant to the Rejected Leases or other agreements between the same parties, the landlords shall not be permitted to setoff or otherwise use the amounts from such deposit or other similar arrangement, or other amount owed to the Debtors, without the prior order of the Court. *See In re Sweet N Sour 7th Ave. Corp.*, 431 B.R. 63, 70-72 (Bankr. S.D.N.Y. 2010) (automatic stay prohibits landlord from exercising right to set off on debtor's security deposit); *In re Communicall Cent., Inc.*, 106 B.R. 540, 545 (Bankr. N.D. Ill. 1989) (landlords are required to move for relief from the automatic stay to exercise right of set off); *In re Inslaw, Inc.*, 81 B.R. 169, 169-70 (Bankr. D.D.C. 1987) (landlord's right to set off may be utilized only after relief from stay is granted).

**B. The Requested Relief is Supported by the Debtors' Sound Business Judgment**

14. Here, rejection of the Rejected Leases is amply supported by sound business judgment. The Debtors have ceased operations at the Dark Stores, closed the Dark Stores, and fully vacated the premises. In the analysis that the Debtors conducted prior to the Petition Date, the Debtors determined that the Rejected Leases are either at or above market rent or are unprofitable for the Debtors' operations and would negatively impact these bankruptcy cases if

the Debtors were to incur postpetition rent and related operational expenses. Accordingly, the Rejected Leases have no economic value to the estates, and there is no business reason to justify the Debtors' continued performance under the Rejected Leases.

15. Accordingly, the Debtors respectfully request that the Court enter an order rejecting the Rejected Leases, effective as of the Petition Date.

**C. Requirements of Bankruptcy Rule 6006(f)**

16. Bankruptcy Rule 6006(f) requires, in relevant part, that a motion to reject multiple executory contracts or unexpired leases:

- a. state in a conspicuous place that parties receiving the motion should locate their names and their contracts or leases in the motion;
- b. list parties alphabetically and identify the corresponding contract or lease;
- c. be numbered consecutively with other omnibus motions to assume, assign, or reject executory contracts or unexpired leases; and
- d. be limited to no more than 100 executory contracts or unexpired leases.

The Debtors have complied with the foregoing requirements.

**WAIVER OF ANY APPLICABLE STAY**

17. The Debtors seek a waiver of any stay of the effectiveness of the order granting this Motion. Pursuant to Bankruptcy Rule 6004(h), any "order authorizing the use, sale, or lease of property other than cash collateral is stayed until the expiration of 14 days after entry of the order, unless the court orders otherwise." The Debtors submit that the relief requested in this Motion is necessary to avoid immediate and irreparable harm to the Debtors for the reasons set forth herein. Accordingly, the Debtors submit that ample cause exists to justify a waiver of the 14-day stay imposed by Bankruptcy Rule 6004(h), to the extent applicable.

### **RESERVATION OF RIGHTS**

18. The Debtors are currently reviewing and evaluating other unexpired nonresidential real property leases and/or executory contracts that are not the subject of this Motion. As this process continues, the Debtors may identify additional unexpired nonresidential real property leases and/or executory contracts to be assumed or rejected. Accordingly, the Debtors reserve the right to seek to assume or reject additional executory contracts and unexpired nonresidential real property leases.

### **NOTICE**

19. Notice of this Motion has been provided to: (a) the Office of the United States Trustee for the Northern District of Georgia; (b) the Debtors' thirty (30) largest unsecured creditors; (c) counsel to the administrative agent for the Debtors' prepetition credit facilities; (d) the Internal Revenue Service; (e) the Georgia Department of Revenue; (f) the Attorney General for the State of Georgia; (g) the United States Attorney for the Northern District of Georgia; (h) the state attorneys general for states in which the Debtors conduct business; (i) the contract counterparties to the Rejected Leases as listed on **Schedule 1**, **Schedule 2**, and **Schedule 3** to **Exhibit A**; and (j) any party that has requested notice pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested, the Debtors respectfully submit that no further notice is necessary.

**NO PRIOR REQUEST**

20. No prior request for the relief sought in this Motion has been made to this or any other court.

**CONCLUSION**

WHEREFORE, the Debtors request this Court enter an order, substantially in the form of **Exhibit A**, granting the relief requested herein and such other and further relief as the Court may deem just and proper.

*[Remainder of Page Intentionally Blank]*



Date: January 19, 2020  
Atlanta, Georgia

Respectfully submitted,

KING & SPALDING LLP

/s/ Sarah R. Borders

Sarah R. Borders

Georgia Bar No. 610649

Jeffrey R. Dutson

Georgia Bar No. 637106

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*Proposed Counsel for the Debtors in Possession*

**Exhibit A**

**Proposed Order**

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF GEORGIA  
ATLANTA DIVISION**

In re:	)	Chapter 11
	)	
THE KRYSTAL COMPANY, <i>et al.</i> , <sup>1</sup>	)	Cases No. 20-61065
	)	
	)	
Debtors.	)	(Jointly Administered)
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**ORDER GRANTING DEBTORS' FIRST OMNIBUS MOTION  
FOR ENTRY OF AN ORDER (I) AUTHORIZING AND APPROVING THE  
REJECTION OF CERTAIN UNEXPIRED LEASES AS OF THE PETITION DATE  
AND (II) GRANTING RELATED RELIEF**

This matter is before the Court on the *First Omnibus Motion for Entry of an Order (I) Authorizing and Approving the Rejection of Certain Unexpired Leases as of the Petition Date and (II) Granting Related Relief* (the “Motion”) [Docket No. \_\_\_\_] of the above-

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: The Krystal Company (4140); Krystal Holdings, Inc. (5381); and K-Square Acquisition Co., LLC (8916). The location of the Debtors’ corporate headquarters and service address is: 1455 Lincoln Parkway, Suite 600, Dunwoody, Georgia 30346.

captioned debtors and debtors in possession (collectively, the “Debtors”). All capitalized terms used but not defined herein shall have the meanings given to them in the Motion.

The Court has considered the Motion, the First Day Declaration, and the matters reflected in the record of the hearing held on the Motion on \_\_\_\_\_, 2020. It appears that the Court has jurisdiction over this proceeding; that this is a core proceeding; that proper and adequate notice of the Motion has been given; that no further notice is necessary; that the relief sought in the Motion is in the best interests of the Debtors, their estates, and their creditors; and that good and sufficient cause exists for such relief.

Accordingly, IT IS HEREBY ORDERED:

1. The Motion is granted to the extent set forth herein.
2. The requirements of section 365 of the Bankruptcy Code and Federal Rule of Bankruptcy Procedure 6006 have been satisfied with respect to the Rejected Leases.
3. The Rejected Leases identified on Schedule 1, Schedule 2, and Schedule 3 to this Order are hereby rejected *nunc pro tunc* to the Petition Date.
4. Consistent with the limitations of section 362 of the Bankruptcy code, and any other applicable law, counterparties to the Rejected Leases are prohibited from setting-off or otherwise utilizing any amounts deposited by the Debtors with any of the counterparties as a security deposit or pursuant to another similar agreement, or owed to the Debtors by any of the counterparties under the Rejected Leases or other agreements between the same parties, without further order from this Court.
5. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Interim Order in accordance with the Motion.

6. To the extent that Bankruptcy Rule 6004(h) is applicable, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

7. Nothing herein shall prejudice the rights of the Debtors to argue that any of the Rejected Leases were terminated prior to the Petition Date; that any claim for damages arising from the rejection of the Rejected Leases is limited to the remedies available under any applicable termination provision of such Rejected Lease; or that any such claim is an obligation of a third party and not that of the Debtors or their estates.

8. Nothing in the Motion or this Order shall prohibit the Debtors from filing one or more additional motions to reject executory contracts or unexpired leases.

9. The Debtors reserve all rights to contest any rejection claims and/or the characterization of any lease as an unexpired lease.

10. The Court retains jurisdiction with respect to all matters arising from or related to the interpretation or implementation of this order.

11. Counsel for the Debtors is directed to serve a copy of this Order on the parties that received service of the Motion within three (3) days of the entry of this Order and to file a certificate of service with the Clerk of Court.

[END OF ORDER]

Prepared and presented by:

/s/ Sarah R. Borders

Sarah R. Borders

Georgia Bar No. 610649

Jeffrey R. Dutson

Georgia Bar No. 637106

Leia Clement Shermohammed

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*Proposed Counsel for the Debtors in Possession*

**Schedule 1**

**Dark Store Leases**

#	Landlord	Store	Store Address	Lease	Landlord Address
1	747 Russell Parkway, LLC	WRG002 (Dark)	747 Russell Pkwy Warner Robins, GA 31088	Land and Building Lease dated as of 5/18/2012	747 Russell Parkway, LLC c/o Lina Gallnurova 4101 Alma Avenue St. Louis, MO 63116
2	923 6th Street LLC	MNT008 (Dark)	8020 Vaughn Road Montgomery, AL 36116	Lease Agreement dated as of 3/14/2016	923 6th Street LLC 923 6th Street, Suite 1 Santa Monica, California 90403 E-mail: phbq@aol.com
3	ARC DB5PROP001, LLC	NSH010 (Dark)	807 S Gallatin Rd Madison, TN 37115	Master Land and Building Lease dated as of 3/21/2012	ARC DB5PROP001, LLC c/o AR Global Attn: Legal Dept/Stacey Runk 650 Fifth Avenue 30th Floor New York, NY 10019
4	ARC KLATLGA001, LLC	ATL023 (Dark)	2068 North Druid Hills Road Atlanta, Georgia 30329	Lease Agreement dated as of 9/21/2012	ARC KLATLGA001, LLC c/o VEREIT, Inc. 2325 E. Camelback Road, 9 <sup>th</sup> Floor Phoenix, AZ 85016 Attn: Asset Manager Email: RELegal@vereit.com with copy to: ARC KLORLFL002, LLC c/o VEREIT 1201 South Orlando Avenue Ste 365 Winter Park, FL 32789 Attn: Debbie Hester/Asset Management

5	ARC KLGFPMSOOI, LLC	GPM003 (Dark)	12045 Highway 49 Gulfport, Mississippi 39503	Lease Agreement dated as of 9/21/2012	ARC KLGFPMSOOI, LLC c/o VEREIT, Inc. 2325 E. Camelback Road, 9 <sup>th</sup> Floor Phoenix, AZ 85016 Attn: Asset Manager Email: RELegal@vereit.com with copy to: ARC KLORLFL002, LLC c/o VEREIT 1201 South Orlando Avenue Ste 365 Winter Park, FL 32789 Attn: Debbie Hester/Asset Management
6	ARC KLKNXTN001, LLC	KNX007 (Dark)	4100 Chapman Highway Knoxville, Tennessee 37920	Lease Agreement dated as of 9/21/2012	ARC KLKNXTN001, LLC c/o VEREIT, Inc. 2325 East Camelback Road, 9 <sup>th</sup> Floor Phoenix, Arizona 85016 Attention: Asset Manager Email: RELegal@vereit.com with copy to: ARC KLORLFL002, LLC c/o VEREIT 1201 South Orlando Avenue Ste 365 Winter Park, FL 32789 Attn: Debbie Hester/Asset Management
7	ARC KLMGY AL002, LLC	MNT002 (Dark)	3201 Atlanta Highway Montgomery, AL 36109	Land and Building Lease dated as of 4/23/2013	ARC KLMGY AL002, LLC c/o VEREIT, Inc. 2325 East Camelback Road, 9 <sup>th</sup> Floor Phoenix, Arizona 85016 Attention: Asset Manager RELegal@vereit.com with copy to: ARC KLORLFL002, LLC c/o VEREIT 1201 South Orlando Avenue Ste 365 Winter Park, FL 32789 Attn: Debbie Hester/Asset Management



8	ARC KLMPSTN002, LLC	MFS003 (Dark)	4431 Summer Ave Memphis, TN 38122	Land and Building Lease dated as of 4/19/2013	ARC KLMPSTN002, LLC c/o VEREIT 2325 E. Camelback Road, 9 <sup>th</sup> Floor Phoenix, AZ 85016 Attn: Asset Manager Email: RELegal@vereit.com With copy to: ARC KLMPSTN002, LLC c/o VEREIT 1201 South Orlando Avenue Ste 365 Winter Park, FL 32789 Attn: Debbie Hester/Asset Management
9	ARC KLORLFL002, LLC	ORL007 (Dark)	11052 East Colonial Drive Orlando, Florida 32825	Lease Agreement dated as of 9/21/2012	ARC KLORLFL002, LLC c/o VEREIT 2325 E. Camelback Road, 9 <sup>th</sup> Floor Phoenix, AZ 85016 Attn: Asset Manager Email: RELegal@vereit.com with copy to: ARC KLORLFL002, LLC c/o VEREIT 1201 South Orlando Avenue Ste 365 Winter Park, FL 32789 Attn: Debbie Hester/Asset Management
10	ARC KLSAGFL00 1, LLC,	JAX026 (Dark)	2370 State Rd 16 St Augustine, FL 32084	Lease Agreement dated as of 9/21/2012	ARC KLCTNTN00I, LLC c/o VEREIT 2325 E. Camelback Road, 9 <sup>th</sup> Floor Phoenix, AZ 85016 Attn: Asset Manager Email: RELegal@vereit.com with copy to: ARC KLORLFL002, LLC c/o VEREIT 1201 South Orlando Avenue Ste 365 Winter Park, FL 32789 Attn: Debbie Hester/Asset Management

11	ARC KLSNVGA001, LLC	ATL039 (Dark)	2484 Main Street Snellville, Georgia 30078	Lease Agreement dated as of 9/21/2012	ARC KLSNVGA001, LLC c/o VEREIT 2325 E. Camelback Road, 9 <sup>th</sup> Floor Phoenix, AZ 85016 Attn: Asset Manager Email: RELegal@vereit.com with copy to: ARC KLORLFL002, LLC c/o VEREIT 1201 South Orlando Avenue Ste 365 Winter Park, FL 32789 Attn: Debbie Hester/Asset Management
12	ARC KL VVHAL001, LLC	BIR012 (Dark)	2419 Acton Rd Vestavia Hills, AL 35243	Land and Building Lease dated as of 4/22/2013	ARC KLVVHA1001, LLC c/o VEREIT 2325 E. Camelback Road, 9 <sup>th</sup> Floor Phoenix, AZ 85016 Attn: Asset Manager Email: RELegal@vereit.com with copy to: ARC KLVVHA1001, LLC c/o VEREIT 1201 South Orlando Avenue Ste 365 Winter Park, FL 32789 Attn: Debbie Hester/Asset Management
13	Barkers Village, Incorporated	CTW001 (Dark)	2615 West Main St Tupelo, MS 38801	Net Land and Building Lease dated as of 12/23/2010	Barkers Village, Incorporated 3085 Ridgeway Road Manchester, NJ 08759
14	Brian S. Munn and Jennifer R. Munn	MFS022 (Dark)	712 US Hwy Covington, TN 38019	Lease Agreement 3/31/2014	Brian Munn 1928 Fields Pond Glen Marietta, Georgia 30068
15	Brice Shannon, LLC	ATL046 (Dark)	4644 Jonesboro Rd Union City, GA 30291	Lease Agreement dated as of 11/19/1975	Brice Shannon, LLC c/o The Blackstock Group, Inc. 3782 Highgreen Drive Marietta, GA 30068
16	Crescent Sunset Properties, LLC	ORL010 (Dark)	3250 West Vine Street Kissimmee, FL 34741	Land and Building Lease dated as of 9/12/2012	1093 A1A Blvd., Suite 401 St. Augustine, FL 32080

17	DSS Krystal Jonesboro, LLC	ATL058 (Dark)	10457 Tara Blvd Jonesboro, Georgia 30236	Land and Building Lease dated as of 5/18/2012	DSS Krystal Jonesboro, LLC 1370 Mitchell Falls CT Marietta GA 30066 Attn: Nirmal Bivek
18	FAN Properties, a Tennessee general partnership, (successor to Nick F. Varallo and Frances P. Varallo)	NSH001 (Dark)	5316 Harding Rd Nashville, TN 37205	Ground Lease dated as of 7/18/2014	Edwin B. Raskin Company, Fifteenth Floor, Third National Bank Building, Nashville, Tennessee 37219 with copy to: Edwin B. Baskin Company 5210 Maryland Way, Ste.300 Brentwood, TN 37027 Attn: David L. Battis
19	J. BRIAN GLEGHORN and DIANA DENISE GLEGHORN, as Trustees of The DB Gleghorn Family Revocable Trust dated February 16, 2006	DOA002 (Dark)	1051 Ross Clark Circle Dothan, AL 36303	Lease Agreement dated as of 11/23/2016	216 Wildwood Ave. Piedmont, California 94610 Attention: J. Brian Gleghorn
20	Jay Shree Ambe, LLC	ATL063 (Dark)	2740 Hamilton Mill Road, Buford, GA 30519	Lease dated as of 1/21/2016	Dasharath J. Patel, Managing Member Daksha D. Patel, Member 657 West Minton Drive Tempe, AZ 85282
21	JER Ocala LLC	ORL012 (Dark)	2420 SW College Rd Ocala, FL 34471	Land and Building Lease dated as of 11/19/2012	JER Ocala LLC P.O. Box 880 Apopka, Florida 32704
22	JET-10 Partnership, a Tennessee General Partnership	NSH027 (Dark)	1631 Ft. Campbell Blvd., Clarksville, TN 37042	Lease date as of 6/15/2016	3842 E. Thunderbird Road Ste 300 Phoenix, AZ 85032 Attn: Terry Kelman Email: tk@doitnow.com

23	Kenneth W. Valk and Jessica H. Stansberry 2002 Revocable Trust	NOL010  (Dark)	3117 Loyola Drive Kenner, LA 70065	Ground Lease dated as of 1/21/2014	4717 NW Dahlia Drive Camas, WA 98607 with copy to: Hand, Holmes, Pile' & Matthews, LLC Timothy F. Hand 901 Derbigny Street Gretna, LA 70053
24	Krystal - Cleveland MS, LLC	GVM001  (Dark)	201 South Davis Avenue Cleveland, Mississippi 38732	Lease Agreement dated as of 7/28/2014	Krystal - Cleveland MS, LLC c/o Phalanx Properties Partnership 3805 Cherokee Woods Way Knoxville, Tennessee 37920 Attention: J. Randy Sadler Email: randysadler@volcondos.com
25	Krystal Commerce, LLC	MFS023  (Dark)	735 South State Street Clarksdale, MS 38614	Lease Agreement dated as of 8/1/2014	Krystal Commerce, LLC c/ o Reza Jafari P.O. Box 9091 Rancho Santa Fe, California 92067 Email: rjafaril@cox.net
26	LOREN, LLC	CAR001  (Dark)	1109 Maple Street Carrollton, GA 30117	Land and Building Lease dated as of 9/16/2019	Loren LLC c/o Capkey Real Estate Advisors 4401 Northside Parkway, Suite 711 Atlanta, GA 30327 Attention: Loren Wimpfheimer with a copy to: Marshall Siegel & Associates LLC 5607 Glenridge Drive, Suite 500 Atlanta, GA 30342 Attention: Marshall Siegel, Esq.
27	Maria, George and Dimitrios Hrysikos	GSA001  (Dark)	2 Ketron Court Greenville, SC 29607	Lease dated as of 2/12/2007	5033 Coach Hill Drive Greenville, SC 29615

28	MARK LINEBERRY, AS TRUSTEE OF THE ANDREW J, LINEBERRY LIVING TRUST UNDER TRUST AGREEMENT DATED APRIL 2, 2001	NSH029  (Dark)	11321 Lebanon Road Mt. Juliet, TN 37122	Lease dated as of 12/29/2015	Andrew J. Lineberry Living Trust P.O. Box 1767 Mt. Juliet, TN 37121 Attn: Mark Lineberry
29	Marrero Land and Improvement Association, LTD.	NOL007  (Dark)	1673 Barataria Blvd. Marrero, LA	Lease dated as of 7/26/2013	5201 Westbank Expressway, Ste 400 Marrero, LA 70072 Attn: Gary M. Guidry
30	Mile High, LLC a Colorado limited liability company Authorized to do business in Tennessee as Smokey Mountains, LLC by: The Paladini Family Trust- Archille G. Paladini, Trustee	KNX003  (Dark)	2684 Airport Highway Alcoa, TN 37701	Land and Building Lease dated as of 7/18/2013	1700 South El Camino Real, #120 San Mateo, CA 94402
31	OAK CREEK FAMILY LIMITED PARTNERSHIP	SAV011  (Dark)	101 Tanger Outlets Blvd. Pooler, GA 31322	Sublease Agreement dated as of 11/16/2016	Oak Creek Family Limited Partnership 7145 Via Mariposa Sur Bonsall, California 92003 Attention: James Mashburn E-mail: jameswmashburn@gmail.com with copy to: McCann & Carroll 2755 Jefferson Street, Suite 211 Carlsbad, California 92008 Attention: Kevin E. McCann, Esq. E-mail: kevin@mccannlegal.com

32	PAD P PARTNERS	JTN002 (Dark)	12 Stonebridge Boulevard Jackson, Tennessee 38305	Lease Agreement dated as of 11/13/2015	Pad P Partners c/o Pat or Anna Walsh 12 Meryton Irvine, California 92603 E-mail: anna@walshrealtor.com
33	SHERRI MICELI RYAN, AS TRUSTEE OF THE SHERRI MICELI- HURLEY REVOCABLE TRUST	CHN023 (Dark)	5401 Brainerd Rd Chattanooga, TN 37411	Land and Building Lease dated as of 7/24/2013	Sherri Miceli-Hurley Revocable Trust 218 Foxtail Lane Yorkville, Illinois 60560 Attention: Sherri Miceli Ryan
34	Smith & Lee, LLC	JAX027 (Dark)	1485 South 6th Street Macclenny, Florida 32063	Lease Agreement dated as of 4/23/2014	Smith & Lee, LLC 1465 South 6th Street Macclenny, Florida 32063 Attention: Susan Smith
35	Susan J Vose Trust of 2002	CHN018 (Dark)	5053 Hunter Rd Ooltewah, TN 37363	Land and Building Lease dated as of 10/16/2019	Susan J Vose Trust of 2002 Attn: Susan Vose 3633 Beverly Ridge Dr Sherman Oaks, CA 91423-4506
36	William C. Smith	MBL018 (Dark)	110 S. University Boulevard Mobile, Alabama 36609	Lease Agreement dated as of 10/12/2016	147 Pointe Lane St. Simons, GA 31522
37	William C. Demetree and Jack C. Demetree as assigned to Pickwick Plaza, LLC	JAX020 (Dark)	9840 San Jose Blvd Jacksonville, FL 32257	Lease dated as of 6/13/1994	Po Box Drawer 47050 Jacksonville, FL 32247 Email contact: freinstine@demetreebrohters.com
38	Wright National, LLC	AUG004 (Dark)	3403 Wrightsboro Road Augusta, GA 30909	Lease dated as of 12/19/2012	227 East 56th Street, Suite 401 New York, NY 10022 Attn: Brett Levine Email: brett@elhcorp.com With copy to: Hull Barrett Attn: Davis A. Dunaway 801 Broad Street, 7th Floor, Augusta, GA 30901 Telephone: 706-772-4481

**Schedule 2**  
**Master Leases**

#	Sublessee	Store	Store Address	Lease	Landlord Address
39	4248 South Dale Mabry Highway, LLC	TMP004 (Operating)	4248 S. Dale Mabry Tampa, FL 33611	Lease dated as of 9/28/2012	55 West Castor Place Staten Island, NY 10312 Attn: Biagio Meccia
40	ARC KLPLCFL001, LLC	TMP006 (Operating)	2801 James L. Redman Pkwy Plant City, FL 33566	Lease dated as of 9/21/2012	ARC KLPLCFL001, LLC c/o VEREIT 2325 E. Camelback Road, 9 <sup>th</sup> Floor Phoenix, AZ 85016 Attn: Asset Manager Email: RELegal@vereit.com with copy to: ARC KLORLFL002, LLC c/o VEREIT 1201 South Orlando Avenue Ste 365 Winter Park, FL 32789 Attn: Debbie Hester/Asset Management
41	B&M Development Properties, LTD.	SAT001 (Operating)	6446 NW Loop 410 San Antonio TX 78238	Lease dated as of 2/2/2007	9601 McAllister Freeway, Suite 1160 c/o Milam Real Estate Capital, LLC San Antonio, TX 78216
42	Bohnebarn, LLC	JAX005 (Operating)	208 Blanding Blvd, Orange Park, FL 32073	Land and Building Lease dated as of 6/7/2013	18 Winslow Drive Atkinson New Hampshire 03811 Attn: Carl Bohne with copy to: 5468 Tice Street Lot 352 Fort Myers, FL 33905
43	Colvis Investments, LLC	ATL060 (Operating)	29 N 400 Center Lane, Dawsonville, Dawson County, Georgia 30534	Land and Building Lease dated as of 10/31/2012	647 Gardenia Glen Escondido, CA 92925
44	DiGiacomo Holdings, LLC	PCB001 (Operating)	9958 Hutchison Blvd Panama City, FL 32407	Net Land and Building Lease dated as of 11/17/2010	Attn: Mark Degiacomo 20 Holton Avenue Essex Sells, NJ 07021

45	Hachmann, LLC	ORL014 (Operating)	11376 S. Orange Blossom Trail Orlando, FL 32837	Lease dated as of 12/4/2015	Hachman, LLC Attn: Lisa Hachmann 819 Crispin Rochester Hills, MI 48307
46	Julia Deal Krystal Trust	MBL010 (Operating)	2385 South Ferdon Blvd Crestview, FL 32536	Lease Agreement dated as of 12/6/2013	PO BOX 143636 Coral Gables, FL 33134 with copy to: Phillips, Cantor, Shalek & Rubin PA 4000 Hollywood Blvd. Ste 500N Hollywood, FL 33021 Attn: Jerold C. Cantor, Esq
47	Kenneth W Valk and Jessica H. Stansberry 2002 Revocable Trust	NOL010 (Operating)	3117 Loyola Drive Kenner, LA 70065	Ground Lease Agreement dated as of January 21, 2014	Kenneth Valk and Jessica Stansbury c/o Kenneth W Valk and Jessica H. Stansberry 2002 Revocable Trust 4717 NW Dahila Drive Camas, WA 98607 with copy to: Hand, Holmes, Pilei' & Matthews, LLC 901 Derbigny Street Gretna, LA 70053 Attn: Timothy F. Hand
48	Kushner White Associates, LP	JAX028 (Operating)	90 Scranton Connector Brunswick, GA 31525	Lease Agreement dated as of 1/29/2016	35 Presidio Terrance San Francisco, CA 94118 Attn: Jeff White with copy to: Roecca Haas Hager, LLP 250 Montgomery Street, Ste 1410 San Francisco, CA 94101 Attn: Edward D. Haas



49	Lake Pointe KB, LLC	ATL062 (Operating)	185 LakePoint Pkwy Cartersville, GA 30121	Lease Agreement dated as of 5/2/2016	Newburger Andes & Co Attn. David Andes 201 Allen Road, Ste 300 Atlanta, GA 30328 with copy to: Campbell & Brannon, LLC 201 Allen Road, Ste 310 Atlanta, GA 30328 Attn: Sanford A. Cohn, Esq.
50	M&C Bohne, LLC	JAX012 (Operating)	8151 Beach Blvd Jacksonville, FL 32216	Land and Building Lease dated as of 6/7/2013	18 Winslow Drive Atkinson, New Hampshire 03811 Attn: Carl Bohne with copy to: 5468 Tice Street Lot 352 Fort Myers, FL 33905
51	Malad Family Limited Partnership	NSH025 (Operating)	1201 Murfreesboro Road Nashville, TN 37217	Lease dated as of 10/5/2012	Malad Family Limited Partnership 3515 Ridgeford Drive Westlake Village, CA 91361 Attn: Shiraz Malad with copy to: Sohail Malad 8233 Station Village Lane #2306 San Diego, CA 92108
52	Marrero Land and Improvement Association, LTD	NOL007 (Operating)	1673 Barataria Blvd. Marrero, LA 70072	Lease Dated July 26, 2013	Marrero Land and Improvement Association, LTD 5201 Westbank Expressway Suite 400 Marrero, LA 70072 Attn: Vincent A. Vestola and Gary M. Guidry
53	Nancy Bradford Booth	TMP005 (Operating)	600 Cypress Gardens, BLVD Winterhaven, FL 33880	Ground Lease dated as of 7/20/2010	PO BOX 1202 Attn: Nancy Bradford Booth Winterhaven, FL 33882-1202
54	OceanSky International, LLC	(MBL016) (Operating)	233 E. Nine Mile Road Pensacola, FL 32526	Lease date as 1/25/2016	2506 Lucille Drive Fort Lauderdale, FL 33316 Attn: Jim Moran With copy to: Peterson & Price, APC 530 B Street, Ste 1800 San Diego, CA 32101-4476 Email: efw@petersonprice.com

55	Peach Willow, LLC	TMP007 (Operating)	1916 E. Fletcher Avenue Tampa, FL 33612	Lease dated as of 8/1/2013	2183 Taxiway F, Suite A6 Minden, Nevada 89423 Attn: Rodney Aiglstorfer
56	Sam Nasrallah, as successor trustee of the Julie Deal Trust, dated June 26, 2001	ORL013 (Operating)	815 N. 14th Street Leesburg, FL 34748	Lease dated as of 9/10/2014	200 Ocean Avenue, Ste 202 Melbourne, FL 32951 With copy to: Phillips, Cantor, Shalek & Rubin PA 4000 Hollywood Blvd., Ste 500-N Hollywood, FL 33021 Attn: Jerald C. Cantor, Esq. With copy to: PO BOX 143636 Coral Gables, FL 33134
57	Tarek M. Mogharbel, Trustee of the Tarek M. Mogharbel Trust, as undivided 50% interest and MIRA M. Majzoub, Trustee of the Mira M. Majzoub Trust	LAF002 (Operating)	1928 Rees Street Breax Bridge LA 70517	Lease Agreement dated as of 11/10/2016	7483 Preserve Crest Way McLean, VA 22102
58	Tindell Properties, LLC	TMP010 (Operating)	3108 1st Street- Bradenton, FL 34208	Lease dated as of 8/1/2013	Marc Tindell 3002 W. Mason Street Unit A Tampa, FL 33629

**Schedule 3**

**Subleases**

#	Sublessee	Store	Store Address	Lease	Sublessee Address
59	1 Chix, LLC	TMP005 (Operating)	600 Cypress Gardens, BLVD Winterhaven, FL 33880	Sublease dated 8/22/2016	512 Gunwale Lane Longboat Key, FL 34228 Attn: John L. Ciotti, Jr. Email: john@chixs.net; becky@chixs.net
60	Amir Ibrahim LLC	TMP006 (Operating)	2801 James L. Redman Pkwy Plant City, FL 33566	Sublease dated 2/25/2019	29425 Crossland Drive Wesley Chapel, Florida 33543 Attn: Amir Ibrahim E-mail: amirtric@gmail.com with copy to: Gosh Enterprises, Inc. 2500 Farmers Drive, Suite 140 Columbus, Ohio 43235
61	Best Choice Burger, LLC	NSH025 (Operating)	1201 Murfreesboro Road Nashville, TN 37217	Sublease dated 7/29/2019	5041 Olivia Drive Antioch, TN 37013 Attn: Othman Kokoyi with copy to: Bihzhar Kokoy Email: bkokoy80@gmail.com
62	Boutros Enterprises Inc. d/b/a The Sheik	JAX012 (Operating)	8151 Beach Blvd Jacksonville, FL 32216	Sublease dated 10/30/2018	422 Orange Avenue Green Cove Springs, FL 32043 Attn: Jamil Boutros Email: Jamilboutros50@yahoo.com; Brandyjaln14@hotmail.com
63	Bradenton 1 <sup>st</sup> Street, Inc.	TMP010 (Operating)	3108 1st Street- Bradenton, FL 34208	Sublease dated 1/2/2019	8041 Williams Road Seffner, Florida 33584 Attn: Samir Layeb Email: samir.layeb@yahoo.com

64	City Donuts & Café, LLC	NOL007 (Operating)	1673 Barataria Blvd. Marrero, LA	Sublease dated 11/26/2018	3301 S. Clairborne Ave. New Orleans, LA 70125 Attn: Karim Taha/Raed Attallah Email: ktaha1012@yahoo.com; Raed_attallah@yahoo.com
65	City Donuts & Café, LLC	NOL010 (Operating)	3117 Loyola Drive Kenner, LA 70065	Sublease dated 11/26/2018	3301 S. Clairborne Ave. New Orleans, LA 70125 Attn: Karim Taha/Raed Attallah Email: ktaha1012@yahoo.com; Raed_attallah@yahoo.com
66	Leena F&B Inc.	ORL013 (Operating)	815 N. 14th Street Leesburg, FL 34748	Sublease dated 10/24/2019	8041 Williams Road Seffner, Florida 33584 Attn: Samir Layeb Email: samir.layeb@yahoo.com
67	Los Balito's Taco Shop	SAT001 (Operating)	6446 NW Loop 410 San Antonio TX 78238	Sublease dated 8/24/2018	255 Tommy Lane La Vernia, Texas 78121 Attn: Ubaldo Castaneda Email: isabella.chapman@gmail.com
68	Mitchell Management of Florida, Inc.	TMP004 (Operating)	4248 S. Dale Mabry Tampa, FL 33611	Sublease dated 5/6/2015	410 S. Tamiami Trail Osprey, FL 34229 Email: ap@mmjj.co; heades@mmjj.co with copy to: Mitchell Management of FL, LLC 6921 E State Road 70 Bradenton, FL 34203
69	Pope Shenouda and Ava Hedra LLC	ORL014 (Operating)	11376 S. Orange Blossom Trail Orlando, FL 32837	Sublease dated 12/18/2018	2952 Carrickton Circle Orlando, FL 32824 Attn: Amgad Atalla Email: amgad@pope-shenouda.com with copy to: Gosh Enterprises, Inc. 2500 Farmers Drive Ste 140 Columbus, OH 43235

70	Pope Shenouda and Ava Hedra LLC	TMP007 (Operating)	1916 E. Fletcher Avenue Tampa, FL 33612	Sublease dated 10/24/2019	2952 Carrickton Circle Orlando, FL 32824 Attn: Amgad Atalla Email: amgad@pope-shenouda.com with copy to: Gosh Enterprises, Inc. 2500 Farmers Drive Ste 140 Columbus, OH 43235
71	Saki Lin, LLC	ATL062 (Operating)	185 LakePoint Pkwy Cartersville, GA 30121	Sublease dated 3/28/2019	402 E Church Street, Ste 112 Cartersville, GA 30121 Attn: Yu Chin Lin Email: sakilin888@gmail.com
72	Shake's of Orange Park, LLC	JAX005 (Operating)	208 Blanding Blvd, Orange Park, FL 32073	Sublease dated 4/16/2019	2 Buckthorne Drive Fernandina Beach, FL 32034 Attn: Aaron Osborne Email: acosborne75@gmail.com
73	Shiv Investment of Panama City, LLC	PCB001 (Operating)	9958 Hutchison Blvd Panama City, FL 32407	Sublease dated 7/30/2018	2908 Harrier Street Panama City, FL 32405 Attn: Bhavesh J. Amin Email: bob.amin@quickstopfl.com
74	Shiva Meladi, LLC	JAX028 (Operating)	90 Scranton Connector Brunswick, GA 31525	Sublease dated 6/4/2019	423 Cobblestone Way Brunswick, GA 31520 Attn: Divyesh Patel Email: d4divyesh18@gmail.com
75	Star Stores, LLC	LAF002 (Operating)	1928 Rees Street Breax Bridge LA 70517	Sublease dated 7/13/2018	3755 Ambassador Caffery Lafayette, LA 70503 Attn: Ramzan (Ramsey) Ali Email: Aliramsey1@gmail.com

76	The Franville Corporation	ATL060 (Operating)	29 N 400 Center Lane, Dawsonville, Dawson County, Georgia 30534	Sublease dated 2/3/2011	The Franville Corporation Attn: Travis L Rogers PO Box 675 Gainesville, GA 30503 with copy to 2390 Thompson Bridge Road Gainesville, GA 30501
77	WAC Enterprises, Inc.	MBL016 (Operating)	233 E. Nine Mile Road Pensacola, FL 32514	Sublease dated 10/1/2018	118 Riverpoint Rd. Signal Mountain, TN 37377 Attn: Wayne and Carolyn Hale With copy to: 515 Locust Drive Gadsden, AL 35901
78	Yardbirds of Northwest Florida II, LLC	MBL010 (Operating)	2385 South Ferdon Blvd Crestview, FL 32536	Sublease dated 5/21/2019	928 Tanager Road Fort Walton Beach, FL 32547 Attn: Corey Campbell-Coleman